

**Senate Judiciary Room 303**  
**9:00 a.m. – January 8, 2007**  
**SB 133**

**Testimony of:**  
**Michael W. Allen**

Three years ago next week, my brother –in-law, at the early age of 52, died of leukemia. He left behind my sister, a son, 20 years old and a 17 year old daughter. He also left behind a small auto repair shop where he was the sole employee with a part time employee from time to time when the business got a little busier around harvest time.

Without the proceeds from his life insurance, my sister would not have been able to pay off all of the business debts, the state and federal taxes and would not have been able to close the business and have the time to find a proper and qualified buyer. I shutter to think what could have happened to my sister at the young age of 47 if this situation would have been any different.

23 years ago this May, my father suffered a fatal heart attack. I had been working with him in the family business for only 3 years. After much sole searching and discussions with my mother, we decided to continue operating the family business. We made this decision partially based on the fact that we had some life insurance money coming into the business to help us get on our feet, not only financially but also by being able to hire the right people to advise us. We were able to hire competent people as advisors because we had some extra cash due to my father's life insurance policy.

The business remained in business and successful until it was sold in August of 2006.

I give you these two brief stories of tragedy because while both of these instances could have lead to an even larger hardship to both families financially, that didn't happen. It didn't happen because of the fact that the life insurance policies purchased by these men were in force, in tact and the companies paid the contracts as promised. Because of this, both of these families were not faced with the possibility of financial hardship in an already stressful time.

Life Insurance and the value of the insurance policies are of the utmost importance to all people who plan for the financial success of their business, the continuation of those businesses and the caring of their families after a death, no matter the circumstances.

As I close, let me add this comment. I purchased my first insurance policy in 1978. I have purchase insurance on all my 3 boys in the year that they were born. I believe in the philosophy of insurance and the protection that it offers. I believe in it so much, that after our family sold the family business in August of 2006, I started planning my new career: In the insurance industry.

I am available to answer any questions that you may have.